MINUTES OF THE PUBLIC UTILITIES AND TECHNOLOGY INTERIM COMMITTEE

Wednesday, May 21, 2003 – 9:00 a.m. – Rooms 414/416 State Capitol

Members Present:Rep. Ty McCartneySen. Leonard M. Blackham, Senate ChairRep. Michael E. NoelRep. Stephen H. Urquhart, House ChairRep. Gordon E. SnowSen. Mike DmitrichRep. David Ure

Sen. Peter C. Knudson
Sen. John L. Valentine
Rep. Sheryl L. Allen
Rep. Members Absent:
Rep. Michael R. Styler

Rep. Ralph Becker
Rep. Chad E. Bennion

Staff Present:

Rep. Greg J. Curtis Mr. Richard North, Policy Analyst

Rep. Glenn A. Donnelson Mr. Thad LeVar, Associate General Counsel Rep. Brent H. Goodfellow Ms. Jennifer Markham, Legislative Secretary

Note: A list of others present and a copy of materials can be found at http://www.image.le.state.ut.us/imaging/history.asp or by contacting the committee secretary, Jennifer Markham, at 538-1032.

1. Committee Business

Chair Urquhart called the meeting to order at 9:15 a.m.

MOTION: Rep. Donnelson moved to approve the minutes of the April 16, 2003 meeting. The motion passed unanimously, with Sen. Valentine, Rep. Curtis, Rep. Goodfellow, Rep. McCartney, and Rep. Ure absent for the vote.

2. Public Service Commission and the Rule-Making Process

Mr. North gave an electronic presentation summarizing the rule-making process and distributed a handout "Summary of Rule-making Process."

Mr. Steve Mecham, Chair, PSC (Public Service Commission), explained the procedure the PSC follows when proposing a new rule.

3. Rates and Access for Telecommunication Facilities in the Interstate Rights-of-Way

Sen. Blackham provided background information on telecommunication access.

Mr. LeVar provided an overview of the current compensation structure.

Mr. Neal Christensen, Assistant Chief Information Officer, UDOT (Utah Department of Transportation), clarified the program allowing access to interstate highways for telecommunications providers and answered committee members questions.

Minutes of the Public Utilities & Technology Interim Committee May 21, 2003

Page 2

Mr. Rex Knowles, XO Communications, described the decline in investment dollars in recent years and difficulties encountered in building the fiber optics network.

Mr. Jerry Oldroyd, AT&T, summarized the objectives of the Telecommunications Act; rates charged for access to interstate highway rights-of-way; and industry concerns.

Ms. Nancy Gibbs, Utah Rural Telecommunications Association, introduced Mr. Vermile Prince, Allwest Communications. Mr. Prince provided an example of the difficulty of upgrading four customers because of the rights-of-way fees.

Mr. Robin Riggs, Qwest Communications, expressed the need to review the rates charged for the rights-of-way.

Mr. Mecham stated that the PSC had not been involved in the rights-of-way issue.

Mr. John Njord, Executive Director, UDOT, explained that rates are to be reviewed every 5 years and adjusted to market conditions. He described the difficulties in providing fiber optics access on Redwood Road and Highway 89.

Mr. Christensen emphasized the need for strategic planning on developing corridors and establishing availability to providers.

The Chair requested staff to provide a report at a future meeting summarizing how other western states are handling the rights-of-way problem.

4. Committee Business/Adjourn

MOTION: Rep. Donnelson moved to adjourn the meeting. The motion passed unanimously, with Rep. Becker and Rep. Curtis absent for the vote. Chair adjourned the meeting at 10:35 a.m.